

**Board of Selectmen
Special Meeting
Monday July 2, 2012
Court Room
8:00AM**

1. Call to order

Meeting was brought to order by Catherine A. Osten, First Selectman at 8:00AM.
Present was Selectman Dennison Allen. Absent was Selectman Denise Dembinski.

2. To consider and act upon resolutions recommending bond and note authorizations to finance various appropriations included in the proposed fiscal year 2012-13 capital budget, and authorizing the First Selectman to call a Town Meeting to act on such recommendations.

Motion made by D. Allen, seconded by C. Osten to accept the resolutions recommending bond and note authorizations to finance various appropriations included in the proposed fiscal year 2012-13 capital budget, and authorize the First Selectman to call a Town Meeting to act on such recommendations, unanimously voted.

Item 1:

WHEREAS, the Town's proposed capital budget for the fiscal year ending June 30, 2013 includes appropriations in the aggregate amount of \$489,000 for costs related to various projects constituting the Fiscal Year 2012/13 Road Management Program; and

WHEREAS, it is in the best interest of the Town to authorize borrowing to defray such appropriations;

NOW, THEREFORE, RESOLVED, that the Board of Selectmen recommends that the Town of Sprague issue bonds or notes and temporary notes in an amount not to exceed \$489,000 to finance appropriations in the aggregate amount of \$489,000 included in the adopted budget for the fiscal year ending June 30, 2013 for costs related to various projects constituting the Fiscal Year 2012/13 Road Management Program, as follows: (a) pavement overlays to all or portions of Franklin Road, Amber Road, Cydylo Drive, Kendall Road and Pautipaug Hill Road, and other roads as deemed necessary by the First Selectman (\$400,000 appropriation), (b) pavement grinding and chip sealing to all or portions of Parkwood Road and Potash Hill Road, and other roads as deemed necessary by the First Selectman (\$64,000 appropriation), (c) installation of ribbon guardrail to all or portions of Bay Street and Hanover-Versailles Road, and other roads as deemed necessary by the First Selectman (\$10,000 appropriation), and (d) drainage improvements to all or portions of Hanover-Versailles Road (\$15,000 appropriation). The appropriations may be spent for design and construction costs, equipment, materials, engineering fees, legal fees, related land or easement acquisitions, net interest on borrowings and other financing costs, and other expenses related to the project or its financing.

FURTHER RESOLVED, that the Board of Selectmen hereby declares the official intent of the Town under Federal Income Tax Regulation Section 1.150-2 that project costs may be paid from temporary advances of available funds and that the Town reasonably expects to reimburse any such advances from the proceeds of borrowings in an aggregate principal amount not in excess of the amount of borrowing recommended above for the project.

FURTHER RESOLVED, that a Special Town Meeting be held on Tuesday July 10, 2012 with respect to the foregoing recommendations, and that notice of said meeting be given substantially in the form presented to this meeting.

Item 2:

WHEREAS, the Town's proposed capital budget for the fiscal year ending June 30, 2013 includes appropriations in the aggregate amount of \$196,667 for costs related to improvements to various Town buildings; and

WHEREAS, it is in the best interest of the Town to authorize borrowing to defray such appropriations;

NOW, THEREFORE, RESOLVED, that the Board of Selectmen recommends that the Town of Sprague issue bonds or notes and temporary notes in an amount not to exceed \$196,667 to finance appropriations in the aggregate amount of \$196,667 for costs related to improvements to various Town buildings, as follows: (a) replacement of three boilers at the Town Hall (\$26,667 appropriation), (b) ventilation system and oil separator improvements at the Town Garage (\$100,000 appropriation), (c) window, sill and column replacements at the Grist Mill (\$45,000 appropriation), and (d) exterior painting and vestibule repair at the Baltic Fire Station (\$25,000 appropriation). The appropriations may be spent for design, construction, acquisition and installation costs, equipment, materials, legal fees, net interest on borrowings and other financing costs, and other expenses related to the project or its financing.

FURTHER RESOLVED, that the Board of Selectmen hereby declares the official intent of the Town under Federal Income Tax Regulation Section 1.150-2 that project costs may be paid from temporary advances of available funds and that the Town reasonably expects to reimburse any such advances from the proceeds of borrowings in an aggregate principal amount not in excess of the amount of borrowing recommended above for the project.

FURTHER RESOLVED, that a Special Town Meeting be held on Tuesday July 10, 2012 with respect to the foregoing recommendations, and that notice of said meeting be given substantially in the form presented to this meeting.

Item 3:

WHEREAS, the Town's capital budget for the fiscal year ending June 30, 2013 includes an appropriation in the amount of \$15,000 for costs related to the acquisition of a bus for use by the Sprague Community Center; and

WHEREAS, it is in the best interest of the Town to authorize borrowing to defray such appropriations;

NOW, THEREFORE, RESOLVED, that the Board of Selectmen recommends that the Town of Sprague issue bonds or notes and temporary notes in an amount not to exceed \$15,000 to finance an appropriation in the amount of \$15,000 included in the adopted budget for the fiscal year ending June 30, 2013 for costs related to the acquisition of a bus for use by the Sprague Community Center. The appropriations may be spent for acquisition costs, related equipment, legal fees, net interest on borrowings and other financing costs, and other expenses related to the project or its financing.

FURTHER RESOLVED, that the Board of Selectmen hereby declares the official intent of the Town under Federal Income Tax Regulation Section 1.150-2 that project costs may be paid from temporary advances of available funds and that the Town reasonably expects to reimburse any such advances from the proceeds of borrowings in an aggregate principal amount not in excess of the amount of borrowing recommended above for the project.

FURTHER RESOLVED, that a Special Town Meeting be held on Tuesday July 10, 2012 with respect to the foregoing recommendations, and that notice of said meeting be given substantially in the form presented to this meeting.

Item 4:

WHEREAS, the Town's proposed capital budget for the fiscal year ending June 30, 2013 includes an appropriation in the amount of \$50,000 for costs related to infrastructure improvements to the Town's water and sanitary sewer systems; and

WHEREAS, it is in the best interest of the Town to authorize borrowing to defray such appropriation;

NOW, THEREFORE, RESOLVED, that the Board of Selectmen recommends that the Town of Sprague issue bonds or notes and temporary notes in an amount not to exceed \$50,000 to finance an appropriation in the amount of \$50,000 included in the adopted budget for the fiscal year ending June 30, 2013 for costs related to infrastructure improvements to the Town's water and sanitary sewer systems, consisting of improvements to the water system including the removal of abandoned fire hydrants, water line upgrades and acquisition of spare pumps, and various sanitary sewer system improvements as presented at a public hearing of the Sprague Water and Sewer Authority held on May 11, 2011, including rehabilitation of Pump Station No. 1 located off of Main Street on the south shore of the Shetucket River, rehabilitation of the Hanover Pump Station (Pump Station No. 2) pump station and force main system, and rehabilitation of

portions of the sanitary sewer collection system infrastructure. The appropriations may be spent for design, construction, acquisition and installation costs, equipment, materials, engineering and consultant fees, legal fees, net interest on borrowings and other financing costs, and other expenses related to the project or its financing.

FURTHER RESOLVED, that the Board of Selectmen hereby declares the official intent of the Town under Federal Income Tax Regulation Section 1.150-2 that project costs may be paid from temporary advances of available funds and that the Town reasonably expects to reimburse any such advances from the proceeds of borrowings in an aggregate principal amount not in excess of the amount of borrowing recommended above for the project.

FURTHER RESOLVED, that a Special Town Meeting be held on Tuesday July 10, 2012 with respect to the foregoing recommendations, and that notice of said meeting be given substantially in the form presented to this meeting.

Item 5:

WHEREAS, the Town's capital budget for the fiscal year ending June 30, 2013 includes an appropriation in the amount of \$50,000 for a grant to the Sprague Housing Authority to be applied to fund in part costs of ADA upgrades to the Shetucket Village elderly complex; and

WHEREAS, it is in the best interest of the Town to authorize borrowing to defray such appropriation;

NOW, THEREFORE, RESOLVED, that the Board of Selectmen recommends that the Town of Sprague issue bonds or notes and temporary notes in an amount not to exceed \$50,000 to finance an appropriation in the amount of \$50,000 included in the adopted budget for the fiscal year ending June 30, 2013 for a grant to the Sprague Housing Authority to be applied to fund in part costs of ADA upgrades (Phase 2) to the Shetucket Village elderly complex.

FURTHER RESOLVED, that the Board of Selectmen hereby declares the official intent of the Town under Federal Income Tax Regulation Section 1.150-2 that project costs may be paid from temporary advances of available funds and that the Town reasonably expects to reimburse any such advances from the proceeds of borrowings in an aggregate principal amount not in excess of the amount of borrowing recommended above for the project.

FURTHER RESOLVED, that a Special Town Meeting be held on Tuesday July 10, 2012 with respect to the foregoing recommendations, and that notice of said meeting be given substantially in the form presented to this meeting.

Item 6:

RESOLVED, that the Board of Selectmen recommends that the Town of Sprague appropriate \$80,000 for costs related to the issuance of bonds or notes and temporary notes to finance all or a portion of the aggregate \$800,667 appropriations included in the Town's capital budget for the fiscal year ending June 30, 2013 referred to in agenda items 1 through 5, inclusive, above, and to pay all or a portion of the net interest cost on the Town's \$2,300,000 bond anticipation notes maturing November 16, 2012; and that the Town issue bonds or notes and temporary notes in an amount not to exceed \$80,000 to finance said appropriation. The appropriation may be spent for financial advisory fess, legal fees, net interest on borrowings and other financing costs and expenses related to the financing of all or a portion of said aggregate \$800,667 appropriations.

FURTHER RESOLVED, that the Board of Selectmen hereby declares the official intent of the Town under Federal Income Tax Regulation Section 1.150-2 that project costs may be paid from temporary advances of available funds and that the Town reasonably expects to reimburse any such advances from the proceeds of borrowings in an aggregate principal amount not in excess of the amount of borrowing recommended above for the project.

FURTHER RESOLVED, that a Special Town Meeting be held on Tuesday July 10, 2012 with respect to the foregoing recommendations, and that notice of said meeting be given substantially in the form presented to this meeting.

3. Adjournment

Motion made by C. Osten, seconded by D. Allen to adjourn meeting at 8:10AM, unanimously voted.

Respectfully submitted by,

Catherine A. Osten
First Selectman